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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/824,114	04/02/2001	Cheryl Hoffman	11273/4	9174
26646	7590	10/04/2005	EXAMINER	
KENYON & KENYON ONE BROADWAY NEW YORK, NY 10004			VINCENT, DAVID ROBERT	
			ART UNIT	PAPER NUMBER
			3628	
DATE MAILED: 10/04/2005				

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

**Application No.**

09/824,114

**Applicant(s)**

HOFFMAN, CHERYL

**Examiner**

David R. Vincent

**Art Unit**

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☐ Responsive to communication(s) filed on \_\_\_\_.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 56-59, 62-78, 88 and 89 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 56-59, 62-78, 88 and 89 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- ☐ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_.
- ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_.
- ☐ Notice of Informal Patent Application (PTO-152)
- ☐ Other: \_\_\_\_.

**Note**

Based on Amendment filed 8/02/05, claims 56-59, 62-78, 88-89 are pending. A non-Final rejection follows.

**Response to Arguments**

1. Applicant's arguments filed 8/2/05 have been fully considered but they are not persuasive. However, Applicant's arguments have been considered but are moot in view of the new ground(s) of rejection. The examiner has made the grounds of the office action more clear and believes the applicant should receive ample opportunity to amend the claims based on this office action.

The applicant argues the combination of McClelland and Buente fails to disclose e.g., "remaining passive" with respect to the Brownfields projects but the applicant's claims do not specify exactly what is meant by "remaining passive". **The claims do not specify who or what is remaining passive?**

Also the applicant argues McClelland discloses the loan instruments are already in existence but **the method steps of the claims do not specify any order in which the steps must be carried out.**

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***Claim Rejections - 35 USC § 103***

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

Claims 56-57, 62-64, 65-71, 73-77, 88 are rejected under 35 U.S.C. 103(a) as being unpatentable over McClelland (US 5,689,650) in view of Buente "Significant Environmental Law Developments", 1998, PP:52-66.

As shown in Figs. 1-11, especially Fig. 11, McClelland discloses a method and apparatus for managing a fund comprising storing in a computer data related to fund (Figs. 1, 3-11; storage, col. 21, lines 20-24; Investment Advisor, cols. 25-30, especially col. 26, lines 55-60), accepting investor capital (col. 5, lines 12-29; col. 6, lines 56-63; col. 7, lines 39-50; Transfer Agent, col. 23, line 50-col. 24, line 37), storing data in the computer relating to the at least one investor (Fig. 11; col. 5, lines 11-19; col. 23, lines 5-35, especially lines 12-19), storing data concerning an entity and approving said entity (person looking for loan or mortgage, col. 4, lines 38-41; col.

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8, lines 35-57; Tables 1-3; approving, cols. 13-14, last three lines, in the case where the loan is bought after it is issued to the entity, the Investment Advisor cols. 25-30 stores the data relating to the entity when recording the acquired asset/loan), providing investment capital by the fund to the approved entity (approving, cols. 13-14, last three lines), storing the terms of the contract in the computer system (approving, cols. 13-14, last three lines, in the case where the loan is bought after it is issued to the entity, the Investment Advisor cols. 25-30 stores the data relating to the entity when recording the acquired asset/loan), as specified in claims 56, 62, 67 62; providing a return on investment as a function of capital (col. 4, lines 27-35; col. 6, lines 35-47; col. 18, lines 56-67; col. 22, lines 50-52, Transfer Agent, cols. 23-24; col. 24, lines 52-67), as specified in claim 63; receiving investments electronically or by mail (col. 22, lines 36-52; cols. 23-24, especially col. 23, lines 55-56), as specified in claims 65-66; receiving/providing an indication of investor capital from/to investors (col. 4, lines 22-28; col. 4, lines 36-54), as specified in claims 62, 74, 88; long term durations (e.g., providing a contract to an entity, business loans, col. 5, lines 39-44 wherein the fund that investors contribute to

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lasts longer than the loans or mortgages because some are being bought and sold on a regular basis), as specified in claim 77.

However, McClelland fails to particularly call for using the funds for acquiring Brownfields projects, and without taking ownership (or non-recourse or passive investing) in the project, as specified in claims 56, 62, 68-70, 73-74, 79, and 88.

Buente teaches that is notoriously well known to finance Brownfields projects without taking ownership in the project (e.g., page 58, left col. paragraph that starts with "Under Senate Bill 1285" see "nonsecured lenders"; "in which the **lender holds no security interest**"; or last 4 lines, "even if the lender eventually takes title", implying that at one time the lender did not take title).

Since McClelland discloses **creating portfolios where investors can earn returns and obtain interest separable from mere ownership (col. 1, lines 1-17)**, developing new portfolios (col. 7, lines 14-19), diversifying portfolios (col. 20, lines 15-24) mortgages that are partially collateralized (col. 2, lines 56-60), using the fund for business loans (col. 5, lines 39-44), using funds for serving community (col. 6, lines 47-56), diversifying credit exposure (col. 6, lines 57-63), business loans backed by assets (col. 7, lines 19-28), and that holding mortgage assets is risky (col. 20, lines 15-19), and Buente

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teaches that is notoriously well known to finance Brownfields projects without taking ownership in the project, it is considered obvious that one of ordinary skill in the art would add Brownfields projects to the list of items that McClelland uses as assets or acquires for the purpose of using funds for serving community. It is also obvious that one of ordinary skill would consider not taking ownership of Brownfields projects for the purpose of limiting risk.

Regarding claim 71, it is considered obvious to one of ordinary skill that the size of the fund is large relative to respective sizes of each capital investment made. It amounts to specifying that the individual parts (investor's contribution) are smaller than the whole (fund).

Regarding claim 75, it is considered obvious to one of ordinary skill that a person seeking a loan for a special purpose can be labeled a special purpose vehicle.

#### ***Response to Arguments***

3. Applicant's arguments filed 8/2/05 have been fully considered but they are not persuasive.

In re pg. 8, and pg. 10 the applicant argues the present invention "directly connects" investors to projects without requiring the involvement of any intermediaries.

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In response, there is no mention of these limitations in the claims and the specification is not the measure of the invention. Therefore, limitations contained therein can not be read into the claims for the purpose of avoiding the prior art; see In re Sprock, 55 CCPA 743, 386 F.2d 924, 155 USPQ 687 (1968).

In re pg. 8 last two lines, the applicant argues McClelland discloses the loan instruments are already in existence.

In response, the examiner disagrees because the loans can be granted before or after the investors contribute to funds (McClelland: col. 7, lines 39-42). Furthermore, the applicant's claims do not specify any order, the merely recite steps that can take place in any order.

In re pg. 9, lines 6-9, the applicant argues McClelland discloses none of the participants are involved with determining whether to grant loans.

In response, what claimed limitation is the applicant trying to say McClelland fails to disclose?

In re pg. 9, the applicant argues Buente fails to cure the defects.



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In response Buente teaches that is notoriously well known to finance Brownfields projects without taking ownership in the project (e.g., page 58, left col. paragraph that starts with "Under Senate Bill 1285" see "nonsecured lenders"; "in which the lender holds no security interest"; or last 4 lines, "even if the lender eventually takes title", implying that at one time the lender did not take title).

***Claim Rejections - 35 USC § 103***

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

Claims 58-59, 78, 89 are rejected under 35 U.S.C. 103(a) as being unpatentable over the combination of McClelland and Buente in view of Slutzky, David.

However the combination of McClelland and Buente fails to particularly call for exchanging an interest in future cash flows from the project for the investment capital, as specified in claims 58, 78, 89.

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Slutzky teaches that it is well known to exchange an interest in future cash flows from the project for the investment capital, as specified in claims 58, 78, 89.

It would have been obvious to exchange an interest in future cash flows from the project because even in the case where McClelland discloses business loans (col. 5, lines 39-44; col. 7, lines 19-28) it is obvious that the business itself is paying for the loan and therefore McClelland discloses exchanging an interest in future cash flows from the project. However, Slutzky makes it more clear that it is well known to exchange an interest in future cash flows. Doing so merely amounts to financing a business and then having proceeds from the business to repay the financing.


Regarding claim 59, McClelland discloses determining the portion of the fund cash flow to which each invests receives (col. 4, lines 27-35; col. 6, lines 35-47; col. 18, lines 56-67; col. 22, lines 50-52, Transfer Agent, cols. 23-24; col. 24, lines 52-67).

5. Any inquiry concerning this communication or earlier communications from the examiner should be directed to David R. Vincent whose telephone number is 571 272 3080. The examiner can normally be reached on M-TH.

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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Sam Sough can be reached on 571 272 6799. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

 9/28/05  
David R Vincent  
Primary Examiner  
Art Unit 3628

September 28, 2005